

Ballot Argument in Support of Proposition 25

Prop 25 reforms California's badly broken state budget process, so taxpayers, schools and services are protected, while legislators are held accountable if they fail to pass the budget on time. No budget, no pay — and no payback later.

Prop 25 is a common sense solution to California's budget disaster, with legislators paying the price for late budgets, not taxpayers.

Prop 25 is a simple budget reform that breaks legislative gridlock by allowing a simple majority of legislators to approve the budget — just like in 47 other states. Meanwhile, Prop 25 preserves the 2/3 vote required to raise taxes.

Late budgets cost taxpayers millions of dollars, hurt schools and services, damage California's credit rating and give special treatment to interest groups at the expense of ordinary citizens. Under the current system, no one is held accountable. This will change under Prop 25 — a common sense reform that:

- Holds legislators accountable when they don't do their jobs. For every day the budget is late, legislators are docked a day's pay plus expenses. Importantly, they can't pay themselves back when the budget is finally passed.
- Changes the vote requirement needed for budget approval, so a majority of legislators can pass the budget, instead of allowing a small minority of legislators to hold it captive.
- Preserves the constitutional requirement that 2/3 of the Legislature must approve new or higher taxes.

**SUBJECT TO COURT
ORDERED CHANGES**

When last year's budget was late, California issued 450,000 IOUs to small businesses, state workers and others who do business with the state, costing taxpayers over \$8 million in interest payments alone.

Under the current system, a small group of legislators can hold the budget hostage, with the "ransom" being more perks for themselves, spending for their pet projects or billions in tax breaks for narrow corporate interests. Meanwhile, taxpayers are punished and funding for schools, public safety and home health care services for seniors and the disabled becomes a bargaining chip. Real people suffer when legislators play games with the budget.

More than 16,000 teachers were laid off last year and 26,000 pink slips were issued this year because of the budget mess. Prop 25 ends the chaos, allowing schools to plan their budgets responsibly by letting them know what they can expect from the state. This isn't possible when the state budget is late.

Late budgets waste tax money and inflate the cost of building schools and roads. Last year when the budget was late, road projects were shut down then restarted days later, costing taxpayers millions of dollars and further damaging California's credit rating.

Please read Prop 25 carefully. It does exactly what it says — holds legislators accountable for late budgets, ends budget gridlock and preserves the 2/3 vote required to raise taxes.

For responsible budgeting and fiscal accountability, vote "yes" on Prop 25.

Signed,

Martin Hittelman

President, California Federation of Teachers

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Kathy J. Sackman, RN

President, United Nurses Associations of California/Union of Health Care Professionals,

~~NUHCE, AFSCME~~

Nan Brasmer

President, California Alliance for Retired Americans

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